

Capitol Commission

Analyst: Freeman

Historical Summary

OPERATING BUDGET	FY 2007 Total App	FY 2007 Actual	FY 2008 Approp	FY 2009 Request	FY 2009 Gov Rec
BY FUND CATEGORY					
Dedicated	6,438,000	1,111,700	503,400	509,200	513,400
Percent Change:		(82.7%)	(54.7%)	1.2%	2.0%
BY OBJECT OF EXPENDITURE					
Personnel Costs	147,800	73,200	120,100	125,900	130,100
Operating Expenditures	385,200	283,500	383,300	383,300	383,300
Capital Outlay	755,000	755,000	0	0	0
Lump Sum	5,150,000	0	0	0	0
Total:	6,438,000	1,111,700	503,400	509,200	513,400
Full-Time Positions (FTP)	2.00	2.00	2.00	2.00	2.00

Division Description

The nine-member Idaho State Capitol Commission was created by the Legislature during its 1998 Session and charged with, among other things, developing a Master Plan for the restoration and refurbishment of the Capitol.

In 2005, Major General (Ret.) Jack Kane was appointed by Governor Dirk Kempthorne as Commission Chairman. Current members appointed by either Governor Phil Batt or Governor Kempthorne include Sandra Patano, Andrew Erstad, and Stephen Hartgen. The Speaker of the House and Senate President Pro Tempore also offer appointments to the Commission including Carl Bianchi (by Speaker Bruce Newcomb) and Evan Frasure (by Senate President Pro Tempore Robert Geddes).

Ex-officio voting members include the Director of the Legislative Services Office (Jeff Youtz), the Director of the Idaho State Historical Society (Janet Gallimore), and the Director of the Department of Administration (Mike Gwartney), who also serves as Commission Secretary.

The 2005 Legislature funded the Capitol Restoration and Expansion project with H386, which made permanent a cigarette tax increase of 57 cents per pack and distributed funds to the Permanent Building Fund for the repair, remodel and restoration of the Capitol, and related Capitol Mall improvements.

In 2006, the Legislature approved HCR 47 which authorized financing for the Capitol restoration and expansion, including the construction of two-story atrium wings at the east and west ends of the Capitol of approximately 50,000 square feet each. In the fall of that same year, \$130 million worth of bonds were issued (pursuant to HCR 47) through the Idaho State Building Authority.

Work on the project commenced in the fall of 2006 and continued until a stop-work order was issued by Governor Otter on January 12, 2007. Negotiations on the overall scope of the project ensued between the Legislature and the Governor. In the final compromise, which was codified in H218, the Capitol Master Plan was modified to include the restoration of the Capitol, the construction of single-story 50,000 square feet atrium wings (scaled back from the original two-story 100,000 square feet wings) at the east and west ends of the Capitol, and a reconfiguration of space in the Capitol which assigns control of the first floor to the Legislature. The following reflects how the total cost is apportioned:

* Capitol Restoration: \$83 million
 * Capitol Expansion (wings): \$37 million.
 Total: \$120 million

The debt service schedule on the bonds calls for seven years of annual payments of approximately \$20.1 million (payments will be from the cigarette tax discussed above). Of the cigarette tax revenue deposited in the Permanent Building Fund, a portion is statutorily earmarked for Capitol restoration and related efforts.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	2.00	0	503,400	2.00	0	503,400
Reappropriation	0.00	0	5,324,800	0.00	0	5,324,800
FY 2008 Total Appropriation	2.00	0	5,828,200	2.00	0	5,828,200
Removal of One-Time Expenditures	0.00	0	(5,324,800)	0.00	0	(5,324,800)
Base Adjustments	0.00	0	(100)	0.00	0	(100)
FY 2009 Base	2.00	0	503,300	2.00	0	503,300
Benefit Costs	0.00	0	4,800	0.00	0	4,600
Change in Employee Compensation	0.00	0	1,100	0.00	0	5,500
FY 2009 Total	2.00	0	509,200	2.00	0	513,400
Change from Original Appropriation	0.00	0	5,800	0.00	0	10,000
% Change from Original Appropriation			1.2%			2.0%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	2.00	0	503,400	0	503,400

Reappropriation

Reappropriation authority, also known as carryover, allows unspent funds from the prior fiscal year to be carried over and spent in the current fiscal year. Those moneys are then removed as one-time expenditures before calculating the next year's base. Carryover requires specific legislative authorization and must be approved every year. Reappropriation authority was provided in H 277 of 2007 through FY 2010.

Agency Request	0.00	0	5,324,800	0	5,324,800
Governor's Recommendation	0.00	0	5,324,800	0	5,324,800

FY 2008 Total Appropriation					
Agency Request	2.00	0	5,828,200	0	5,828,200
Governor's Recommendation	2.00	0	5,828,200	0	5,828,200

Removal of One-Time Expenditures

Removes reappropriation provided in H 277 of 2007 which provided three year carryover through FY 2010.

Agency Request	0.00	0	(5,324,800)	0	(5,324,800)
Governor's Recommendation	0.00	0	(5,324,800)	0	(5,324,800)

Base Adjustments

This removes all personnel costs from the Capitol Endowment Income Fund.

Agency Request	0.00	0	(100)	0	(100)
Governor's Recommendation	0.00	0	(100)	0	(100)

FY 2009 Base					
Agency Request	2.00	0	503,300	0	503,300
Governor's Recommendation	2.00	0	503,300	0	503,300

Benefit Costs

Reflects \$2,075 per position or a 29% increase in employer-paid health insurance premiums from \$7,125 to \$9,200 per year. This increase is artificially inflated since the rates have been frozen for the last two years, with increases being covered from reserves.

Agency Request	0.00	0	4,800	0	4,800
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The Governor recommends funding the employer increase in health insurance, and does not remove the funding for their PERSI rate increase that was included in the request. Recently, the PERSI Board voted not to increase the contribution rate for the upcoming fiscal year. In addition, for this agency the Governor recommends that the Division of Human Resources (DHR) fee be reduced by 35% for classified positions, from 0.615% of gross salary to 0.4%, because it has been granted delegated authority by DHR.

Governor's Recommendation	0.00	0	4,600	0	4,600
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Change in Employee Compensation

Agencies were instructed to input a CEC based on a 1% calculator.

Agency Request	0.00	0	1,100	0	1,100
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The Governor recommends a compensation increase of 5% to be distributed based on merit.

Governor's Recommendation	0.00	0	5,500	0	5,500
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FY 2009 Total					
Agency Request	2.00	0	509,200	0	509,200
Governor's Recommendation	2.00	0	513,400	0	513,400

Agency Request

Change from Original App	0.00	0	5,800	0	5,800
% Change from Original App	0.0%		1.2%		1.2%

Governor's Recommendation

Change from Original App	0.00	0	10,000	0	10,000
% Change from Original App	0.0%		2.0%		2.0%